not possible to say whether I will be able to complete the entire work in that year. So according to the progress of the work we make a forecast and in that way provide a certain amount for the current year and certain amount for the next year. But in some cases we are able to show better progress and complete the work in that year itself. So we get some surplus amount. As the Hon'ble Members can see the policy of the Government, even in the matter of transfer to spend a single pie, is to consult the House.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* I must confess, Sir, that I have not been able to appreciate the Chief Engineer's argument.

Demand put and carried

49. "30—A—Civil Engineering—Works of repairing the septic tanks attached to the Narakkal Dispensary" by transfer from the allotment for the work "B.1. 7/21—Improvements to Road—Chalakkudi to Kormala—1 section"—by the Chief Engineer.

Mr. V. K. Aravindaksha Menon *(Chief Engineer):* Sir, I rise to move for a token grant of Re. 1 under "30-A-Civil Engineering Works of repairing the septic tanks attached to the Narakkal Dispensary".

The actual cost of the work will be Rs. 360. I request the House may be pleased to grant the allotment.

Demand put and carried

50. "30—A—Civil Engineering—Technical Training Scheme" by transfer from "B.1 7./21"—by the Chief Engineer.

Mr. V. K. Aravindaksha Menon *(Chief Engineer):* Sir, I rise to move for a token grant of Re. 1 under "30-A-Civil Engineering Technical Training Scheme". The House is aware that we started a small civil engineering class of 20 students and for that purpose we have to construct a small building and also to equip it with drawing instruments and for this a sum of Rs. 5,000 is necessary. It is proposed to transfer this amount from the budget head 7/21. I request that the House may be pleased to grant the allotment.

Demand put and carried

51. "30—A—Civil Engineering—M.O.V." by transfer from "B.1. 7/21.

Mr. V. K. Aravindaksha Menon *(Chief Engineer):* Sir, I rise to move for a token grant of Re. 1 under "30-A-Civil Engineering-M.O.V." This amount is required for tiling and repairs to Inpatient Ward, Chalakkudi Veterinary Hospital. I request that the House may be pleased to grant the allotment.

Demand put and carried

52. "30—B—Mechanical Engineering—Works of renewing Electric Posts in Central Jail" by transfer from the allotment for the work of "enlarging the settling tank to 3 lakhs gallon capacity at the Head Works" by the Chief Engineer.

Mr. V. K. Aravindaksha Menon *(Chief Engineer):* Sir, I rise to move for an additional grant of Re. 1 under "30-B-Mechanical Engineering". This amount is required for the purpose of renewing the electric posts in the Central Jail. I request that this House may be pleased to grant the amount.

Demand put and carried

53. "16—Genaral administration—V. State Loan"

Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* Sir, I rise to move for an allotment of Rs. 34,876 under "16-General Administration-V. State Loan". There was a provision of Rs. 62,000 in 1121 budget towards the expenses of the loan, that we floated, of a crore of rupees and that has been found insufficient to meet all the expenses by way of commission brokerage and contingencies and also a small establishment for the loan that has been floated. An additional sum of Rs. 34,876 more is required and I request that the House may be pleased to sanction this amount.

Mr. P. Kumaran Ezhuthassan *(Wadakkancheri):* On a point of information, Sir, may I know the Commission and underwriting charges given to the banks.

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Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* We have to pay a total commission of Rs. 72,250 by way of commission to the banks, underwriting and other commissions and that is because we never expected that the total subscription would come to such a high amount as has been found. That only shows the great popularity that our loan had in the market. The high commission which had to be paid to the various banks for receiving and transmitting the application monies indicates only the high popularity which our loan had. An against a crore of rupees which we wanted an amount of 11 crores and 75 thousand rupees was subscribed. You must remember that loans floated by some of the Provincial Government were not such a success. The underwriters had to find the money. (A voice: It is not a fact). You don't know. When I speak actual facts Hon'ble Members who are not conversant with these things say that it is not so. The commission amount is apparently very high indeed. But it is due to the enormous popularity of our loan.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* May I know, Sir, the banks to which this amount is to be paid?

Rao Sahib P. V. Raphael *(Comptroller of Finace and Accounts):* All the leading banks, for instance, the Imperial Bank of India, the Central Bank of India, and the Indian Bank—these three banks with whom we entrusted the work of receiving applications. Several other banks including our own indigenous banks received money and they in turn sent those amounts to our bankers.

Mr. M. O. Thomakutty *(Industries and Commerce):* Was it necessary to appoint underwriters on commission basis in view of the present status of the State?

Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* That was also a point which we considered very deeply and we were advised by the highest financial authority, the Reserve Bank of India, that it would be advisable to appoint underwriters because just at that moment other loans were being floated. It is on the best advice available in the country that we have acted. The experience of some of the Provinces in India was not quite encouraging in this line. The underwriters who were appointed had to find a part of the loan amount. Therefore, we were advised by the Reserve Bank to have underwriters and it was because of that advice that we appointed underwriters.

Mr. M. O. Tomakutty *(Industries and Commerce):* What is the rate of the commission?

Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* All these details are confidential. But I can assure the Hon'ble Members that the rate is very very favourable to us.

Mr President: Is the Hon'ble Member suggesting that the commission paid to the underwriters is a waste? I may tell him that if we had not employed underwriters we should not have been able to float the loan on such favourable terms.

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* May I know the number of Cochinite Investors?

Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* We have not got exact figures. This was a public loan in which all were allowed to cotribute. But I can assure the House that all Cochin applicants who have applied have been given *pro rata.*

Mr. P. Kumaran Ezhuthassan *(Vadakkancheri):* How many foreign investors; please?

Mr. President: If the Hon'ble Member cannot answer the first question obviously he cannot answer the second. (Laughter).

മിസ്റ്റർ ജോസ് കെ. വർഗ്ഗീസ്: കൂടുതൽ കമ്മീഷൻ കൊടുക്കേണ്ടതു് ലോണിന്റെ സ്റ്റാറ്റസ്സിനു് നല്ലതല്ലെ?

Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* Although we wanted only one crore the loan was subscribed to the extent of about 12 crores and we had to pay a high amount as commission.

മിസ്റ്റർ എം. ഒ. തോമക്കുട്ടി: ഒരു കോടി ഉറപ്പിക്ക ഡെപ്പോസിറ്റ ചെയ്യുവാൻ ഈ തെങ്കിലും അപ്പെ ചെയ്യിട്ടുണ്ടെങ്കിൽ അതു നമ്മുടെ ലോണിനു് നല്ല സ്റ്റാറ്റസ്സല്ലെ?

Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* People have got extreme confidence. They find our finances are very sound and that the Cochin Government are going to invest money on very sound schemes. Therefore, people rushed in with meney. We had the best available advice in the matter.

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Mr. K. T. Achyutan *(Ezhuvas-Mukundapuram):* May I know whether there was any failure as far as State loans in the past were concerned?

Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* On the previous occasion we had to issue at Rs. 99—8—0 and we had to pay an underwriting commission. This we issued at par.

മിസ്റ്റർ കെ. എസ്സ്". പണിക്കർ: ഇപ്പോഴത്തെ ഇതിനെ" എതാണ്ടു" ഫാ ഠ ം-ക്ക" ഒരുമിത മല്ലെ കമ്മിഷൻ വെച്ചിട്ടുള്ളതു"?

Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* The dommission rates are all confidential. But I can assure you all, that it is very very favourable to us.

Demand put and carried

54. "41—Miscellaneous—Transfer to Revenue Reserve Fund"

Rao Sahib P. V. Raphael *(Comptroller of Finance and Accounts):* Sir, I rise to move for an additional allotment of Rs. 15 lakhs under "41—Miscellaneous—Transfer to Revenue ReserveFund". This is only a book adjustment from the realised surplus of 1120. We had made no provision for this reserve in the Budget. I request the House may be pleased to sanction the allotment.

Demand put and carried.

55. "41—Miscellaneous—7—Other Heads (c) Refund of Lapsed Deposits"

Mr. P. V. Raphael *(Comptroller of Finance and Accounts):* Sir, I rise to move for an additional allotment of Rs. 7,500 under "41—Miscellaneous—7—Other heads (c) Refund of Lapsed Deposits". There is a provision of Rs1,100 in the Budget under this Head. That has almost been spent up. For the refund of lapsed deposits another sum of Rs. 7,500 may be necessary to meet the requirements of this year. I request the House may be plased to grant the allotment.

Demand put and carried.

56. "41-3 (a) Food Supplies"—iv—Other charges

Rao Sahib M. M. Paul *(Director of Food Supplies):* Sir, I rise to move for an additional allotment of Rs. 7,90,000 under "41-3 (a) Food Supplies—iv—Other charges". Several items of expenditure incurred last year under "39 Miscellaneous 3-Price Control (a) Food Supplies IV other charges" could not be paid last year for want of sufficient allotment. In addition to the above, several other items of expenditure which had not been originally anticipated in the Budget Estimate for the current year had also to be incurred this year. An amount of Rs. 6,08,791 is also required for adjustment towards the loss of 1119 as the same was not able to be adjusted last year. In view of the above facts and also of the fact that the allotment under the head is insufficient to meet the requirements, an additional allotment of Rs. 7,90,000 is necessary. I request the House may be peased to grant the allotment.

Mr. M. O. Thomakkutty *(Commerce and Industry):* Was any amount written off before this?

Rao Sahib M. M. Paul *(Director of Food Supplies):* No, Sir.

Mr. M. O. Thomakkutty *(Commerce and Industry):* I think some amount was written of in 1119.

Rao Sahib M. M. Paul *(Director of Food Supplies):* This is the net loss taking the two years together.

മിസ്റ്റർ ജോസ്സ്" കെ. വഗ്ഗിസ്സ": ഇതിൽ ഈ Cost of Milk-ന്റെ വെണ്ടി ന്നവു, ഫ്രഫക. ചിലവാക്കികാണുന്നുണ്ടു". ഈ പാൽ വാങ്ങിയിരുന്നവോ, അതോ വിറ്റിരു ന്നവോ?

Rao Sahib M. M. Paul *(Director of Food Supplies):* This represents the cost of milk paid in 1120.

മിസ്റ്റർ ജോസ്സ്" കെ. വഗ്ഗിസ്സ": ജനറൽ ആസ്സ്യുറിയിലേക്ക" അയച്ചുതന്നതാണു പാൽപ്പൊടി ഉപയോഗിക്കേണ്ട സമയത്തു" ഉപയോഗിക്കാതെയോ മറ്റോ ചീത്തയായിട്ട വെറുതെ കളയേണ്ടിവന്നിട്ടുള്ളതിനെപ്പറ്റി അറിയാമോ?

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